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May 8, 2006

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When calling relative to this
matter, refer to file No. 1360.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

**RE: Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Zone, Reservoir A
Elm Grove Field
Bossier Parish, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU45 at the location in Section 30-T16N-R11W, Bossier Parish, Louisiana, shown on the attached plat;
2. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on CV RA SU45 at the location in Section 30-T16N-R11W, Bossier Parish, Louisiana, shown on the attached plat;

COOK, YANCEY, KING & GALLOWAY

Office of Conservation

May 8, 2006

Page 2

3. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on LCV RA SUAA at the exceptional location in Section 30-T16N-R11W, Bossier Parish, Louisiana, shown on the attached plat;
4. To authorize the unit allowable for these Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and Lower Cotton Valley Zone, Reservoir A, units to be recovered from the any of the wells located on the units, at the discretion of the operator; and
5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent orders of the Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series of Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-E, effective on and after July 16, 1996.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Ron Tuminello, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search and a copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager

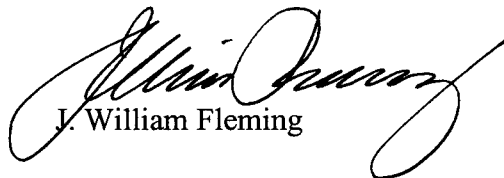
COOK, YANCEY, KING & GALLOWAY

Office of Conservation
May 8, 2006
Page 3

of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed are the application fees.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY



J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Ron Tuminello
Mr. Craig Barclay

